

## NOTICE TO INTERESTED PARTIES

This solicitation is provided to you for information purposes. If interested in responding to this solicitation, you may choose to submit your offer on the downloaded document **provided** you register your company by fax or e-mail for this specific solicitation. If you do not register your company, you will not receive addenda, if any, and your offer will be automatically rejected and not considered for award.

### Registration or Request for Copy of Solicitation

Submit FAX or E-MAIL to:

FAX No.: (808) 586-0570  
E-mail Address: [Robert.zamarron@hawaii.gov](mailto:Robert.zamarron@hawaii.gov)

### Provide the following information:

- Name of Company
- Telephone Number
- Solicitation Number
- Mailing Address
- Facsimile Number
- Fedex (or equivalent) account number (document will be sent by U.S. Postal Service first class mail if this is not provided)
- Name of Contact Person
- E-Mail Address



### STATE PROCUREMENT OFFICE

LEGAL AD DATE: DECEMBER 3, 2004

### REQUEST FOR PROPOSALS

No. RFP-05-037-SW

SEALED PROPOSALS  
TO PROVIDE  
COMPREHENSIVE TRAVEL RELATED SERVICES  
FOR THE  
STATE OF HAWAII

WILL BE RECEIVED UP TO AND OPENED AT 2:00 P.M. (HST) ON

JANUARY 19, 2005

IN THE STATE PROCUREMENT OFFICE, KALANIMOKU BUILDING, 1151 PUNCHBOWL STREET, ROOM 416, HONOLULU, HAWAII 96813. DIRECT QUESTIONS RELATING TO THIS SOLICITATION TO MS. BONNIE KAHAKUI, AT 587-4702 OR, FACSIMILE (808) 587-4703 OR E-MAIL AT [bonnie.a.kahakui@hawaii.gov](mailto:bonnie.a.kahakui@hawaii.gov).

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RUTH E. YAMAGUCHI  
Procurement Officer

RFP-05-037-SW

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Name of Company

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## **SECTION I**

### **INTRODUCTION AND TIMETABLE**

#### **1.1 TERMS AND ACRONYMS USED HEREIN**

Procurement Officer	=	The contracting Officer for the State of Hawaii Procurement Office.
State	=	All agencies, including schools, if applicable, of the purchasing jurisdictions participating in this agreement (refer to STATE'S COMMITMENT of the special provisions).
SPO	=	State Procurement Office of the State of Hawaii, located at 1151 Punchbowl Street, Room 416, Honolulu, Hawaii 96813; P.O. Box 119, Honolulu, Hawaii 96810-0119
Bidder or Offeror	=	Any individual, partnership, firm, corporation, joint venture, or other entity submitting directly or through a duly authorized representative or agent, a bid for the good, service, or construction contemplated.
HRS	=	Hawaii Revised Statutes
HAR	=	Hawaii Administrative Rules
HST	=	Hawaii Standard Time
GTC	=	General Terms and Conditions dated 9/1/95 and issued by the SPO.
IFB	=	Invitation for Bids
RFP	=	Request for Proposals

#### **1.2 INTRODUCTION**

The State Procurement Office is issuing this Request for Proposal for the purpose of awarding contract(s) to provide travel related services to the State agencies and other jurisdictions listed herein (hereafter collectively referred to as "State").

Under this price list agreement, the selected contractor(s) shall accept purchase orders and purchasing cards from authorized procuring agencies. Contractor(s) is required to provide services as described in this solicitation.

#### **1.3 RFP SCHEDULE AND CONTRACT TERM**

The following schedule sets forth the significant dates and deadlines applicable to this RFP. The dates are merely estimates and not binding on the State. If an event of the schedule is delayed, such as the Proposal Due date, the events that follow will likely be delayed by the same number of days.

<b><u>Events</u></b>	<b><u>Date</u></b>
Advertisement/issuance of Request for Proposal	December 3, 2004
Pre-proposal Conference	December 14, 2004
Deadline for Written Inquiries	December 21, 2004
State Response to Written Inquiries	December 28, 2004

Proposals Due	2:00 p.m. (HST) January 19, 2004
Proposal Evaluations	January 29, 2005 – February 12, 2005
Discussion with Offerors, if applicable	February 4, 2005 – February 9, 2005
Best and Final Offers Due, if necessary	February 16, 2005
Evaluation of Best and Final Offers	February 16, 2005 – February 23, 2005
Issuance of Notice of Award	April 01, 2005
Contract Start Date	June 01, 2005

#### **1.4 PRE-PROPOSAL CONFERENCE**

A pre-proposal conference will be held on **December 14, 2004**. The purpose of the conference is to provide Offerors an opportunity to attend a briefing presented by Ms. Bonnie Kahakui, Travel Administrator. Offerors are encouraged to submit written questions to the SPO prior to the scheduled pre-proposal conference. The pre-proposal conference will be held as follows:

Date: Tuesday, December 14, 2004  
Time: 1:00 p.m. (HST)  
Place: 1151 Punchbowl Street, Room 322C, Honolulu, Hawaii 96813

#### **1.5 WRITTEN INQUIRES**

Written inquires concerning this RFP must be received at the SPO (see address information below by the Deadline for Written Inquiries specified above. Written inquiries must be specific and must reference the RFP number, page, paragraph, and line or sentence to which the question relates. Furthermore, Offeror should list any exception(s) to the terms, conditions, specifications, or other requirement listed in the RFP.

State's replies to Offeror's questions will be recognized as official only if the Offeror submits the questions in writing, is provided a written reply by the SPO, and such questions and answers are made part of the RFP by addendum. Offerors are specifically cautioned that verbal discussions, questions, and replies, thereto, shall not have the effect of changing the provisions of the written RFP.

Offerors are to submit written questions to the attention of Ms. Bonnie Kahakui at:

State Procurement Office  
1151 Punchbowl Street, Room 416  
Honolulu, HI 96813  
OR  
Fax: 808/587-4703

## **1.6 SUBMISSION OF PROPOSALS**

The offeror shall submit original and six (6) copies of the proposals in sealed envelopes or packages to the SPO no later than the date and time specified.

Proposals received after the Proposal Due Date and Time shall NOT be accepted. Each Offeror accepts all risks associated with incorrect delivery or with failure to deliver proposal package to the SPO before such date and time by any courier, mail, or other delivery service.

## **SECTION TWO**

### **BACKGROUND/DESCRIPTION OF PROJECT**

- 2.1** The unpredictable travel environment has created a demand for flexibility in the State's approach to purchasing travel related services to support the various State agencies. The State requires a comprehensive level of travel services to State business travelers while, at the same time, extending travel appropriations to the maximum extent possible by increasing efficiencies and economies in the administration of the State's official travel activities. The State desires to enter into firm fixed price contract (Part I) and a multiple vendor contract (Part II) with travel providers for all its authorized State travel functions statewide.

#### **2.2 OBJECTIVES**

The State's objective includes reducing travel costs, obtaining and monitoring travel usage data, maximizing the State's volume discount capabilities and simplifying management of employee travel.

By granting State awards to multiple travel agencies for out-of-state air services, the State intends to provide travelers with some choice of qualified travel agencies to service state travelers.

- 2.3** The RFP consists of Part I and Part II. Offers may submit offers for either Part I or II, or for both Part I and II.

- Part I is the price list portion of the contract to provide agencies with fixed prices for an interisland car rental prepaid voucher program and cost quotes for hotel lodging. The unit prices offered shall be fixed for the initial 12-month period. Then, subject to price adjustments for the remaining 12-month period, and extension period, if any.
- Part II is the multiple-vendor list portion of the contract to allow agencies to purchase out-of-state airline tickets from qualified vendors of their choice without having to follow small purchase procedures or obtain approval from SPO. Up to three (3) awards shall be made on a statewide basis to responsible, compliant bidders, who meet the varied needs of the users. The state reserves the right to purchase from any non-listed vendor under small purchase procedures.

The State will generally require the use of these services for all State Executive agencies (including all attached board, commission, etc.), except for the University of Hawaii.

#### **2.4 FISCAL YEAR 2004 DATA**

The following information is furnished regarding approximate volume of official State travel, except University of Hawaii for the calendar year 2004: 1) over \$2.20 million in out-of-state airfare, 2) estimated \$1.05 million in interisland auto rental and 3) \$150 thousand in interisland hotel reservations. These figures are given only as approximate quantification, and are not to be taken as a guarantee of future minimum or maximum volume.

## **SECTION THREE**

### **SPECIFICATIONS**

#### **3.1 GENERAL STATEMENT**

Offerors should have, as a minimum, the capabilities listed herein, and the proposals submitted must reflect in general, and in detail wherein stated "SHALL DESCRIBE", the services offered as well as the degree of expertise in utilizing these capabilities. All requirements apply to PART I AND PART II, unless otherwise noted. For ease of reading, the term "Contractor"/ "Offeror" will be used to refer to any potential service provider. Failure to provide the minimum requirements specified may adversely affect Offeror's proposal evaluation.

#### **3.2 FINANCIAL STABILITY**

Each Offeror shall demonstrate financial resources as may be reasonably required to provide service of the type and magnitude offered under this solicitation.

#### **3.3 EXPERIENCE**

Each Offeror should meet the following minimum business qualifications for the respective level of service. Failure to provide the minimum requirements specified may adversely affect Offeror's proposal evaluation.

##### **PART I – INTERISLAND SERVICE**

- A. Sales volume at a minimum of \$1 million gross annually.
- B. Each Offeror shall have provided cost-effective lodging and car rental services below open market pricing for a minimum of two accounts with a combined annual billing of all accounts totaling in excess of \$300,000.00. At least one account must be a corporate entity.

##### **PART II – OUT-OF-STATE SERVICE**

- A. Air sales volume at a minimum of \$2 million gross annually.
- B. Business/leisure ratio of 60:40 to 90:10.
- C. Each Offeror shall have provided cost effective out-of-state airline tickets below open marking pricing for a minimum of two accounts with a combined annual billing of all accounts totaling in excess of \$600,000. At least one account must be a corporate entity.
- D. Each Offeror must have at least two (2) contract net agreements with two different transpacific commercial air carriers.

#### **3.3.1 SUBMITTALS (APPLICABLE TO OFFERORS ON PART I AND PART II)**

Each Offeror shall submit documentation indicating sales volume for the previous fiscal year and business/leisure ratio as a percentage of business. Additionally, each Offeror shall provide the following information concerning corporate or government accounts. To the extent the Offeror has furnished service to a State or other government customer, one or more of the references shall include the government customer.

Name of government/corporate entity serviced  
Contract start/completion dates  
Name of contact person  
Telephone number  
Annual Dollar Volume sold to this account

### 3.4 GENERAL CAPABILITIES (APPLICABLE TO OFFERS ON PART I AND II unless noted)

#### 1. Office Outfitting and Location

The Offeror should have at least five (5) years of in providing travel services and shall be equipped with all necessary furnishing, office equipment, supplies, tariffs, automated reservations and ticketing equipment, computer systems, communications services, and related items necessary to conduct operations to fulfill the contract requirements. The Offeror **SHALL DESCRIBE** the automated reservation and ticketing equipment, computer systems, and communications services being used.

The Offeror shall have an office in Honolulu and **SHALL PROVIDE** the address of the Honolulu office and any servicing offices. The State reserves the right to inspect identified premises.

The State requires an Offeror capable of providing the range of services described herein using the most state-of-the-art techniques and procedures available in as cost-effective manner as possible. Offeror **SHALL DESCRIBE** the interface between the reservation, ticketing, and accounting elements so that all passenger reports and summary data may be automatically generated from point-of-sale information.

#### 2. Office Personnel

Part I – The Offeror shall provide certain personnel who are experienced and familiar with lodging establishments (all islands) and vehicle rental firms.

Part II - The Offeror shall provide certain personnel who are experienced in arranging domestic and international air transportation.

The required personnel shall include the following.

##### a. Project Manager

The Offeror shall provide a project manager who shall be responsible for the overall administration, supervision, and coordination of its operations with the State. The project manager should have **at least five (5) years experience in management of volume travel services**, of which the last three (3) years shall have been in this capacity. (Volume travel services are defined as corporate or governmental accounts with annual billings in excess of \$1,000,000.00. Experience may be a combination from one or more companies.

It is preferred that this project manager shall be a Certified Travel Consultant (CTC) and either shall be, or shall report directly to, the contractor's principal operating official.



The State reserves the right to approve any project manager designated by the contractor, and to demand a change in project manager if the State deems it necessary.

**b. Other Personnel**

Part I – The Contractor shall provide a minimum of two (2) support personnel to assist the project manager in making hotel reservations and processing requests for prepaid car voucher.

Part II- The Contractor shall have a minimum of four (4) full-time permanent support personnel on staff to assist the project manager. These support personnel shall be qualified in the delivery of services. The State is aware that industry practice may not indicate the necessity of more than four full-time persons. However, the State feels that the realities of the State travel procedures, and the number of trip requests and inquiries handled each year, requires that an Offeror have a minimum of (4) permanent support persons on staff. Proposals, which accommodate and address this will be given greater consideration in the evaluation process. Offer must provide resumes of all employees assigned to the State's program and their dedicated phone numbers and e-mail addresses.

**c. Training**

Part II – The contractor **SHALL DESCRIBE** the training program, as it relates to air travel arrangements, provided to the staff responsible for making air travel arrangements.

**3. Hours of Service**

The Contractor shall provide on Oahu at least nine (9) hours of service daily, generally from 7:30 a.m. to 4:30 p.m.(HST), Monday through Friday. Actual hours, if different, shall be negotiated and be stated in the contract.

The Contractor's servicing office may be closed on holidays observed by the State, but must be staffed on any holiday on which State government is in operation.

During regular business hours, the phone number through which State business is conducted should be a system, which responds with a "first available agent" recording rather than a busy signal.

**4. Telephone Requirements**

The Contractor shall have a dedicated telephone number for the exclusive use of State travelers. The Contractor shall provide toll free long distance and neighbor island phone and fax numbers.

**5. After-hours Service and Number**

Service outside the regular working hours, for emergency situations, shall be provided by the Contractor through an emergency contact phone number.

## **6. Internet and Other Electronic On-line Capabilities**

The Contractor shall have the capability to receive and confirm travel requests and make travel arrangements via the internet or other electronic on-line services.

## **7. Licenses**

The Contractor shall purchase all licenses necessary for the conduct of these operations at its own expense.

### **3.5 INTERISLAND LODGING AND PREPAID CAR RENTAL PROGRAM (PART I)**

#### **1. Reservations and Confirming Interisland Lodging**

The Contractor shall negotiate special discounted fixed rates with individual hotels, or hotel chains at a minimum of two hotels per locality (with the exception of Lanai), Locations shall include, Waikiki, Lihue/Kapaa, Kahului, Hilo, Kona, Kaunakakai. This service shall include initiating and confirming reservations as well as confirm the rate at which the reservation is made. The responsibility for payment of services rests with the traveler. Contractor **SHALL DESCRIBE** hotels' reservations and cancellation policies. Offeror should provide a copy of the hotels' contract outlining the policies as it relates to State reservations.

Hotels should be limited to two and three star hotels (as defined by hotels.com or expedia.com) or tourist and superior tourist class hotels (as defined by hotelandtravelindex.com).

#### **2. Prepaid Car Rental Program**

The Contractor shall negotiate special discounted fixed rates with no more than two car rental agencies to provide a prepaid car rental voucher program to cover all islands (except Lanai). The prepaid voucher program shall include the following:

- a. Guaranteed availability for a compact size car, Monday to Friday (excluding State Holidays).
- b. Voucher rate shall include: time and mileage, state excise taxes, airport concession fees, vehicle licensing fees, highway surcharge, and refueling charges based on a 24-hour rental.
- c. A dedicated "State" express check in and return service
- d. Reduced or waived drop charges.
- e. Waived additional driver fees.
- f. 59 minute grace return period.
- g. Option to combine vouchers for larger sized cars.
- h. Minimum 18-month expiration date.

The Contractor **SHALL DESCRIBE** the car rental agencies' reservation, cancellation, and expired voucher policy. A copy of the car rental agencies' proposal to the offerer outlining the details shall be provided as supporting documentation.

### **3. State Travel Rules and Policies**

Upon award, the Contractor will familiarize its personnel with the procedures established by the State travel rules and policies. This is to facilitate the Contractor's clear understanding that forms and procedures must not be circumvented by the Contractor's personnel.

It is expected that the Contractor will apply vigilance in its knowledge of State travel rules and policies to avoid allowing unapproved exceptions to that policy or making arrangements for State travelers which are in violation of any portion of that policy.

### **4. Customer Service**

The Contractor **SHALL DESCRIBE** how he intends to provide State travelers with the following services:

- a. Cancelled reservations and/or refunds for hotel and lost car coupon processing assistance.
- b. Feedback system to receive information from travelers as to problems and experiences encountered during travel.
- c. Travel requests for travelers with special needs

## **3.6 OUT-OF-STATE AIR TRANSPORTATION SERVICES (PART II)**

### **1. Cost Quotes for State Travelers**

The Contractor shall give a cost quotation to State employees planning trips to facilitate the employee's efforts to fill out the required state travel forms in as accurate a fashion as possible.

It is understood that the contract will provide the traveler with a lower fare or rate than that quoted if the fare or rate is lowered between the time of quote and the time the ticket is issued.

Contractor "**SHALL DESCRIBE**" the number and extent of negotiated contracts with commercial carriers. Preference will be given to contractors with most favorable contracts in terms of rates and restrictions. Copies of negotiated contracts shall be made available to verify their validity.

### **2. Reservations and Confirmation Services**

The Contractor shall make reservations, issue tickets and all other travel documents necessary for all domestic commercial air travel. Delivery of said travel documents, tickets, etc., when applicable must also be included.

The Contractor shall describe the reservations system used to make reservations (i.e. Apollo, Sabre etc.).

The Contractor shall provide State business travelers with advance seat assignments, advance boarding passes, and last-seat availability on all airlines for which the contractor can offer these services.

The Contractor shall provide State business travelers with reservation and ticketing services normally accorded corporate or private travelers.

Air passenger tickets must be issued only from approved Air Traffic Conference of America (ATCA) or Airlines Reporting Corporation (ARC) ticket stock.

Boarding passes must be on boarding pass stock approved by ARC and recognized by domestic and international airlines.

Confirmation notices must be supplied when received from travel providers.

### **3. International Travel**

As with other travel, the Contractor shall arrange international travelers' reservations and ticket delivery (when applicable). Also included should be information regarding excess luggage requirements and resulting fees.

#### **a. Orientation Information**

The Contractor shall provide State travelers with advice on necessary health requirements, including types of inoculations, vaccinations, and testing, either required or suggested for foreign travel, both general and specific to the country of destination.

#### **b. Currency and Business Information**

The Contractor shall provide advice on such matters as foreign currency exchange rates and transactions and securing automobile insurance in conjunction with foreign car rentals.

#### **c. Foreign Travel**

The Contractor shall assist State travelers in obtaining passports, visas, airport taxes, and travel advisories for foreign travel. Any application form necessary should be stocked and immediately available.

### **4. The Contractor shall provide each out-of-state traveler with a copy of a computer-generated itinerary with the ticket, or electronic ticket receipt, incorporating the following features relevant to the trip:**

1. Travelers' name, and date of request;
2. Department/Division/Branch/Office;
3. Office site address;

4. Work telephone number;
5. State purchase order number or pCard number;
6. Name of carrier(s);
7. Flight, train or bus number(s);
8. Departure and arrival times for each segment of the trip (specific airport names if more than one is applicable);
9. Meals on flights;
10. Seat assignments;
11. Automobile rental (company, type of car, rate, and confirmation number) if applicable;
12. Name, location, phone number(s), reservation confirmation number of hotel (with rates) if applicable; and
13. Name, location, phone number(s) and reservations number of any ground transportation providers booked when applicable.

**5. Schedule Changes**

The Contractor shall make adjustments for any change(s) in flight. Billings, tickets, and any other necessary travel documents shall be modified or reissued to reflect these changes.

The Contractor shall also make timely effort to notify travelers of airport closings, canceled or delayed flights.

**6. Ticket Delivery**

The Contractor shall provide electronic tickets whenever possible. When necessary Contractor shall mail tickets, itineraries, boarding passes, and other travel documents, as necessary to each traveler's office, on Oahu and the outer islands, by certified mail, all at the contractor's expense. The Contractor may choose to hand deliver travel documents, or make use of overnight courier service, for neighbor island offices, at no additional expense to the State.

**7. State Travel Rules and Policies**

Upon award, the Contractor will familiarize its personnel with the procedures established by the State travel rules and policies. This is to facilitate the Contractor's clear understanding that forms and procedures must not be circumvented by the Contractor's personnel.

It is expected that the Contractor will apply vigilance in its knowledge of State travel rules and policies to avoid allowing unapproved exceptions to that policy or making arrangements for State travelers which are in violation of any portion of that policy.

The Contractor is not to make any travel arrangements for out-of-state State business without first receiving a purchase order number or purchasing card authorization.

## **8. Fare Costs**

The Contractor shall guarantee to provide state travelers with the lowest possible fare available consistent with the proposed itinerary, space availability, and purchasing restrictions. If it is discovered that a State traveler qualifies for a lower fare than the one the Contractor has arranged, the Contractor will refund the difference to the State. The contractor shall describe their technological ability to “fare shop” through any computer program or software.

Full coach fares may be used only if no other reduced fares are available. Off-peak, excursion, promotional, and other types of discount fares must be used if contract or other negotiated fares are not available.

If lower in cost, such promotional fares should be used in preference to negotiated fares. Contractors must furnish reasons for not using available discount fares. The State shall allow exemptions to the contract if the traveler can provide verifiable documentation that a lower fare can be secured from another agency, the internet, or the airlines direct.

## **9. Fare Differences, Adjustments, and Travel Vendor Penalties**

### **a. Lower Available Fare Refund**

The Contractor shall refund to the State, within twenty (20) calendar days of date of payment, the difference in cost if it has failed to book the lowest available fare.

### **b. Penalties and Fees**

Any penalties and/or other fees that may be assessed by travel vendors as a result of any error or omission on the part of the Contractor shall be borne by the Contractor.

### **d. Refunds and Void Ticket Policy**

The Contractor **SHALL DESCRIBE** their refund and void ticket policy.

### **e. Fare Tracking System**

The Contractor **SHALL DESCRIBE** their fare tracking system, if available.

## **10. Customer Service**

The Contractor **SHALL DESCRIBE** how he intends to provide State travelers with the following services:

- a. Refund, cancelled, and lost ticketing processing assistance.
- b. Feedback system to receive information from travelers as to problems and experiences encountered during travel.
- c. Travel requests for travelers with special needs.

**11. Optional Services** – Includes but not limited to:

**a. Rental Vehicles**

The contractor shall reserve commercial rental vehicles at the lowest rate possible, confirm the rate at which the reservations are made, and include such information on the traveler's itinerary. Government rate will be utilized whenever possible. The responsibility for payment rests with the traveler, unless the Contractor can provide a bill back service to the State agency. It is understood that participating agencies are not required to make rental reservations through the contractor.

**b. Ground Transportation**

When there is a need for ground transportation beyond auto rental, or when the traveler requests such, the contractor shall provide assistance in finding, pricing, arranging, and reserving ground transportation. The responsibility for payment of services rests with the traveler.

**c. Lodging Service**

When there is a request, the Contractor shall always provide the best value for lodging reservations. Government rates will be utilized whenever reasonable. This service shall include initiating and confirming reservations as well as confirm the rate at which the reservation is made. The responsibility for payment of services rests with the traveler.

The Contractor shall make available to the State any government, corporate special conference, or other discount rates it has negotiated or has available at any or all hotels.

The Contractor shall always attempt to locate State travelers' lodging at conference sites or within close proximity as possible to the location of their business, while providing the State with the lowest reasonable cost. Traveler's preference can be observed where it does not conflict with this policy. It is understood that participating agencies are not required to make out-of-state hotel reservations through the contractor.

**3.7 MANAGEMENT REPORTS**

The Contractor shall provide management information reports and reconciliation reports of travel and credit services to the State. A description of the Contractor's total reporting capabilities shall be incorporated in each proposal. At a minimum, however, the Contractor shall develop and maintain the Customer Profile as described in subparagraph 1 and submit reports described in subparagraphs 2 through 6. For all reports except the Customer Profile,

the Contractor shall provide a consolidated report to the Contract Administrator and shall also provide individual reports to each authorized ordering agency listed in the RFP.

THE OFFEROR SHALL DESCRIBE AND PROVIDE SAMPLES WITH THEIR PROPOSAL FOR THE REPORTS IN PARAGRAPHS 1, 2, 3, 4, AND 6.

## **1. Customer Profile (Part II)**

The Contractor is to develop and maintain a computerized customer profile for each employee who travels showing the following minimum information:

- a. Traveler name and title;
- b. Seat preference, e.g. smoking, non-smoking, aisle, window, etc.;
- c. Meal preference, e.g. low-salt, vegetarian etc.;

## **2. Monthly Reports**

### **PART I**

- a. A monthly sales activity summary shall be submitted within fifteen (15) calendar days after the end of the calendar month. This report shall reflect all official sales or booking activity for each state agency.

### **PART II**

- a. A concise monthly narrative report of approximately one page, summarizing the Contractor's activities, is to be submitted within fifteen (15) calendar days after the end of the calendar month. This report should identify problems and recommend solutions as well as provide the State with an assessment of the overall operation of the program. Suggestions to enhance services should be included.
- b. A monthly sales activity summary shall be submitted within fifteen (15) calendar days after the end of the calendar month. This report shall reflect all official sales or booking activity for each state agency.
- c. Itemized, monthly passenger listing reports for each agency. These reports will coincide with the billing cycle and will identify the agency account by name and agency number.

Contractor shall provide the following information in report form:

- 1) The travel request, purchase order number or p-Card number for the travel identified and date of booking.
- 2) The full name of each traveler, carrier, fare basis and origin and destination points.
- 3) Ticket number, and travel dates.



- 4) Transportation charges by mode of travel for each trip; the “applicable” fare for the trip (standard cost), the lowest fare available, and the actual transportation charge. The difference between actual transportation charge and the lowest applicable fare will also be itemized (identified as cost avoidance).
  - 5) Approximate miles flown by each traveler by airline, which has been paid by the State.
  - 6) Refusals by the traveler to accept Contractor’s recommended arrangements if such a refusal results in greater costs to the State agency. Reasons for the refusal are to be included.
- d. Any exceptions to the use of lowest available rates for airfare will be paid for by the state traveler and shall be documented by the contractor.

**3. Semi-Annual Report (Part II)**

The Contractor shall provide a semi-annual report that lists the mileage credits earned by each traveler by airline.

**4. Annual Management Report (Part I & II)**

The Contractor shall provide the monthly information in report form on an annual basis.

**5. Other Customized Management Information Reports (Part I & II)**

The Contractor shall provide any other customized or specialized management information reports requested in the future by the State. The Contractor shall assist the State in determining, and subsequently developing, any user reports required but not identified at this time. Utilization reports may be requested that include but not limited to; out-of-state air reports, showing top twenty destinations; neighbor island hotel reports by island, car rental utilization reports, by island, including length of rental and average mileage.

**6. Audits and Accounting Records (Part I & II)**

The Contractor shall make available, at no cost to the State, any current on-line automated audit system which may be in place and which are not solely financed by other clients of the Contractor. The Contractor shall describe any on-line audit system(s) that are currently in place.

The Contractor must maintain all applicable accounting records relative to state transactions on file throughout the contract period and for a minimum of three (3) years after its expiration or cancellation. Upon request, these records must be made available to the State at any point during that time.

**3.8 ORIENTATION OF STATE AGENCIES**

The Contractor SHALL DESCRIBE how orientation sessions with State agencies and State travelers will be conducted prior to operational start-up. Additional session must be provided by the Contractor at the request of the State and at no additional cost to the State. Such sessions shall address procedures to be followed by applicable state agency personnel in utilizing the services provided by the Contractor.

### **3.9 COMMUNICATION PLAN**

Offeror SHALL DESCRIBE in his/her proposal a communication plan which, at a minimum, will include random agency (customer) survey sample and frequency, quality of service standard, performance measurement.

### **3.10 STATE WEBSITE**

The Contractor shall develop and maintain a State travel website to facilitate communications between State travelers and the Contractor. The contents of the website will be approved prior to activation.

### **3.11 STATE ACCESS (Part II)**

Contractor shall make available to the State Travel Administrator access to their airline reservation system (i.e. Apollo or Sabre) currently utilized by the contractor.

## **SECTION FOUR**

### **PROPOSAL FORMAT AND CONTENT**

#### **4.1 INTRODUCTION**

The objective of this section is to make proposal preparation easy and efficient while giving Offeror ample opportunity to highlight his proposal. The evaluation process must also be manageable and effective. When an Offeror submits a proposal, it shall be considered a complete plan for accomplishing the tasks described in this RFP and any supplemental tasks the Offeror has identified as necessary to successfully deliver the comprehensive level of travel services required by the State.

Any material deviation from these requirements may result in an adverse evaluation.

Offerors must follow the requirements set forth below. Proposals must be organized in the following sections in the exact format using all titles, subtitles, and numbering, with tabs separating each section. Each section must be addressed individually and pages must be numbered. Failure to follow the format specified below may adversely affect the evaluation of Offeror's proposal.

#### **4.2 PROPOSAL FORMAT**

Offeror's proposal should:

- Provide all of the information requested in this RFP in the order specified; and
- Be submitted in three-ring binders, organized into sections, with tabs separating each section described below:
  - a. Transmittal Letter
  - b. Executive Summary
  - c. Qualifications of Firm and Staff
  - d. Business Response
  - e. Technical Proposal
  - f. Cost Proposal
  - g. Exceptions
  - h. Offer Form, page OF-1 (refer to Attachment A)

These sections, as described below, are primarily designed to provide information necessary for the State to evaluate offers pursuant to the Evaluation Criteria provided in Section Five of this RFP. Offerors are advised to review the Evaluation Criteria and to provide all the information necessary to allow the State to evaluate each Offeror's proposal based on these criteria.

### **1. Transmittal Letter**

A transmittal letter should be included in the proposal, and include the following information:

- a. Identify the title and number of this RFP;
- b. Include the complete name of the Offeror's firm and its address;
- c. Include the name, mailing address, telephone number, and facsimile number of the person the State should contact regarding Offeror's proposal.
- d. Confirm that the Offeror will comply with all of the provisions of the RFP.
- e. Identify the name(s) of any subcontractor Offeror proposes to use.

### **2. Executive Summary**

The proposal shall include an executive response that condenses contents of the proposal in such a way as to provide the Evaluation Committee with a broad understanding of the entire proposal. Offeror shall demonstrate its understanding of the proposed project and the services required of the contractor by providing a written proposal of what the Offeror can provide. This summary should also include an explanation of what the Contractor intends to accomplish, their purpose, objectives, the services required, and the items to be delivered.

### **3. Qualifications of Firm & Staff**

- a. Offeror shall address the firm's experience in providing the travel services described in this RFP. Offeror shall provide a comprehensive description of their ability to meet the staffing requirements outlined in this RFP.
- b. Names of management and support personnel who will be committed to this account as described in Subsection 3.4, paragraph 2, and detailed resumes of those persons who will be assigned to this account on a regular basis shall also be provided.

### **4. Business Response**

The business response shall include the following:

- a. Documentation (i.e. affidavits from hotels, car rental agencies, ARC reports) that would verify minimum business qualifications for the respective levels of service as outlined in Section Three 3.3, Parts I and II.
- b. Information relative to the Offeror's experience in providing and performing similar services for the three (3) largest accounts in the last two (2) years. The accounts may be contacted for additional service information;
- c. Documentation, upon which the State can rely, which demonstrates that

Offeror's company has the financial capability and stability to provide the required services during the term of the contract with no interruptions of services due to financial inadequacies. Documentation shall include copies of Offeror's audited financial statements for the last three (3) years;

- d. A list of Offeror's company affiliations and current standing with professional accrediting organizations in the travel industry; and
- e. A description of any work to be subcontracted by the Offeror and the identity of each subcontractor.

## **5. Technical Response**

The proposal shall include a Technical Response in which Offerors shall provide written response and/or samples for the following items from SECTION THREE of this RFP.

### **PART I**

- a. Subsection 3.4, paragraphs 1,3-7
- b. Subsection 3.5, paragraph 1
- c. Subsection 3.5, paragraph 3 –4
- d. Subsection 3.7, paragraph 2
- e. Subsection 3.7, paragraph 4-6
- f. Subsection 3.7, paragraph 10
- g. Subsection 3.8
- h. Subsection 3. 9
- i. Subsection 3.10

### **PART II**

- a. Subsection 3.4, paragraphs 1,3-7
- b. Subsection 3.6, paragraph 1,2,4
- c. Subsection 3.6, paragraph 9.d
- d. Subsection 3.6, paragraph 9.e
- e. Subsection 3.6, paragraph 10
- f. Subsection 3.7, paragraph 1-6
- g. Subsection 3.8
- h. Subsection 3.9
- i. Subsection 3.10
- j. Subsection 3.11

## **6. Cost Proposal**

The proposal shall include a Cost Proposal that addresses in detail the Offeror's proposed system of compensation.

### **a. Payment of Travel Costs (Part II)**

The State will remit to the Contractor the amount of air fare which has been incurred by the Contractor on behalf of a State employee for authorized State travel.

### **b. Fees (Part I & II)**

The State's primary concern is to provide individuals on official State travel with travel services while utilizing travel funds in the most economical manner.

The Offeror's cost proposal SHALL DESCRIBE the compensation offered for the State's travel business. The Offeror may propose any system of compensation: shared commissions and rebates and/or cost to be paid for by the State; either fixed fee or variable fee; override agreements; a proposed fixed fee for noncommissioned air travel; etc., based on anticipated volume of business handled by the agent. The shared amount may vary based upon the annualized volume of State-sponsored business handled by the Contractor.

For illustration purposes only, the Offeror SHALL DESCRIBE in its proposal the amounts of compensation to be paid to the State or paid to the Contractor in the event that the

annual air fares handled by the Contractor under this agreement achieves the following annual amounts:

- 1) \$ 500,000
- 2) 1,000,000
- 3) 1,500,000
- 4) 2,000,000
- 5) 3,000,000

The State Procurement Office recognizes there are certain industry practices for travel service firms. However, SPO encourages Offerors, in their responses to this RFP, to be as creative as possible regarding compensation offered to the State.

- c. After a proposal is opened and being evaluated, the State may require Offeror to provide an itemized list of all direct and indirect costs associated with the performance of this contract

#### **7. Exceptions**

Offeror shall list any exceptions taken to the terms, conditions, specifications, or other requirements listed herein. Offeror shall reference the RFP section where exception is taken, a description of the exception taken, and the proposed alternative, if any.

#### **8. Offer Form**

Include a properly signed and executed Offer Form page OF-1 (Attachment A).

### **SUBMISSIONS**

Submit one (1) original and six (6) copies of each proposal on forms and in the format specified in this RFP. The original shall be clearly marked "ORIGINAL" and copies shall be clearly marked "COPY". It is imperative that the Offeror submit only one original and the required number of copies. DO NOT SUBMIT MORE THAN ONE ORIGINAL. The State will not provide any reimbursement for the cost of developing, presenting, submitting, or evaluating any proposal in response to this RFP.

Proposal shall be delivered to:

**State Procurement Office  
1151 Punchbowl Street, Room 416  
Honolulu, Hawai'i 96813**

The outer container for the RFP must:

- Be clearly marked "RFP-05-037-SW TRAVEL SERVICES FOR STATE OF HAWAII";
- Indicate the name, address, telephone number and fax number of the Offeror; and
- Be sealed.

Offeror is encouraged to submit typewritten offers. If handwritten, it should be clearly printed. Offeror is cautioned that illegible offers may be automatically rejected to avoid any errors in interpretation by the reviewers during the evaluation process.

#### **RIGHT TO WAIVE MINOR IRREGULARITIES**

The Evaluation Committee reserves the right to waive minor irregularities. The Evaluation Committee also reserves the right to waive non-statutory requirements provided that all of the otherwise responsive proposals failed to meet the non-statutory requirements and the failure to do so does not materially affect the procurement. This right is at the sole discretion of the Evaluation Committee.

## **SECTION FIVE**

### **EVALUATION CRITERIA**

#### **5.1 EVALUATION CRITERIA**

Evaluation criteria and the associated points are listed below. Proposals will be evaluated to determine those that are acceptable, potentially acceptable, or unacceptable. Offerors must receive a score of at least 70% in each category for their offer to be considered acceptable or potentially acceptable.

For Part I, award will be made to the most response, responsible Offeror, whose proposal is determined to be the most advantageous to the State based on the following criteria, which are not necessarily listed in order of importance. The maximum score and criteria for each area to be evaluated are as follows:

#### **THE TOTAL NUMBER OF POINTS USED TO SCORE THIS PART I IS 1000**

- |           |  |              |                   |
|-----------|--|--------------|-------------------|
| <b>1.</b> | <b><u>Cost Proposal</u><br/>(Cost/Savings to the State)</b>  | <b>Total</b> | <b>400 Points</b> |
|           | The level of compensation offered to the State or paid to the Contractor will be evaluated in this category.   |              |                   |
|           | A. Hotel rates and/or compensation   |              | <b>150 Points</b> |
|           | B. Prepaid car coupon rates and/or compensation  |              | <b>250 Points</b> |
| <b>2.</b> | <b><u>Business Response</u><br/>(Ability to Provide Service)</b>   | <b>Total</b> | <b>200 Points</b> |
|           | This consideration will factor the information included in the Business Response.                              |              |                   |
|           | A. Financial Stability   |              | <b>100 Points</b> |
|           | B. Business Experience   |              | <b>100 Points</b> |
| <b>3.</b> | <b><u>Technical Response</u><br/>(Compliance with Program Specifications)</b>                                  | <b>Total</b> | <b>300 Points</b> |
|           | This consideration will factor the information included in the written requirements of the Technical Response. |              |                   |
|           | A. General Office Outfitting, Location, Phone Requirements   |              | 75 Points         |
|           | B. Internet and Other Electronic On-line Capabilities  |              | 50 Points         |
|           | C. Customer Service  |              | 50 Points         |
|           | D. Management Reports  |              | 50 Points         |
|           | E. Orientation of State Agencies   |              | 25 Points         |
|           | F. Communication Plan  |              | 25 Points         |
|           | G. State Website   |              | 25 Points         |
| <b>4.</b> | <b><u>Qualification of Staff</u></b>   |              | <b>100 Points</b> |



This consideration will factor the information provided that addresses experience and staffing.

- |                     |           |
|---------------------|-----------|
| A. Staff Experience | 50 Points |
| B. Staff Commitment | 50 Points |

For Part II, awards will be made to no more than three (3) responsive, responsible Offerors whose proposals are determined to be the most advantageous to the State based on the following evaluation criteria, which are not necessarily listed in the order of importance. The maximum score and the criteria for each area to be evaluated are as follows:

**THE TOTAL NUMBER OF POINTS USED TO SCORE PART II IS 1250**

- |           |   |              |                   |
|-----------|---|--------------|-------------------|
| <b>1.</b> | <b><u>Cost Proposal</u></b>   | <b>Total</b> | <b>500 Points</b> |
|           | <b>(Cost/Savings to the State)</b>  |              |                   |
|           | A. The level of compensation offered to the State or paid to the Contractor will be evaluated in this category. |              | <b>200 Points</b> |
|           | B. The number and extent of negotiated airline contracts with Terms and conditions.                             |              | <b>300 Points</b> |
| <b>2.</b> | <b><u>Business Response</u></b>   | <b>Total</b> | <b>200 Points</b> |
|           | <b>(Ability to Provide Service)</b>   |              |                   |
|           | This consideration will factor the information included in the Business Response.                               |              |                   |
|           | A. Financial Stability  |              | <b>100 Points</b> |
|           | B. Business Experience  |              | <b>100 Points</b> |
| <b>3.</b> | <b><u>Technical Response</u></b>  | <b>Total</b> | <b>350 Points</b> |
|           | <b>(Compliance with Program Specifications)</b>   |              |                   |
|           | This consideration will factor the information included in the written requirements of the Technical Response.  |              |                   |
|           | A. General Office Outfitting, Location, Phone Requirements  |              | 75 Points         |
|           | B. Internet and Other Electronic On-line Capabilities   |              | 75 Points         |
|           | C. Customer Service   |              | 75 Points         |
|           | D. State Website  |              | 50 Points         |
|           | E. Orientation of State Agencies  |              | 25 Points         |
|           | F. Communication Plan   |              | 25 Points         |
|           | G. Managements Reports  |              | 25 Points         |
| <b>4.</b> | <b><u>Qualification of Firm &amp; Staff</u></b>   | <b>Total</b> | <b>200 Points</b> |
|           | This consideration will factor the information provided addresses experience and staffing.                      |              |                   |
|           | A. Staff Experience   |              | 75 Points         |
|           | B. Staff Commitment   |              | 100 Points        |
|           | C. Staff Training   |              | 25 Points         |

## **5.2 PROPOSAL CONTENT**

Offerors shall ensure that its response is submitted in accordance with the instructions in Section Four, Proposal Format and Content. Offeror's response should be a complete plan to accomplish the requirements specified in the RFP.

## **SECTION SIX**

### **SPECIAL PROVISIONS**

#### **6.1 SCOPE**

The Offeror shall provide Comprehensive Travel Related Services for the State of Hawai'i, and shall be in accordance with these Special Provisions, the Specifications and Requirements specified herein, and the GTC, included by reference. Copies of the GTC are available at the SPO and on the Internet at <http://www2.state.hi.us/bidfiles/spogtgs.pdf>.

#### **6.2 RESPONSIBILITY OF OFFERORS**

Due to the extremely compressed timeline of this RFP and the timeline subsequent to the award, it is highly recommended that the Offeror furnish proof of compliance with the requirements of §3-122-112, HAR, with their proposal:

1. Chapter 237, tax clearance;
2. Chapter 383, unemployment insurance;
3. Chapter 386, workers' compensation;
4. Chapter 392, temporary disability insurance;
5. Chapter 393, prepaid health care; and
6. One of the following:
  - a. Be registered and incorporated or organized under the laws of the State (hereinafter referred to as a "Hawaii business"); or
  - b. Be registered to do business in the State (hereinafter referred to as a "compliant non-Hawaii business").

Refer to the Award of Contract provision herein for instructions on furnishing the documents that are acceptable to the State as proof of compliance with the above-mentioned requirements.

#### **6.3 TERM OF CONTRACT**

The successful Offeror shall be required to enter into a formal written contract to commence work on June 1, 2005. The official commencement date shall be specified on the Notice to Proceed issued upon the execution of the contract by all parties and shall be no earlier than the date specified on the Notice to Proceed.

The initial contract period shall commence June 1, 2005 through May 31, 2006. Unless terminated, the contract shall be extended, without resoliciting, for four (4) additional twelve (12) month periods, or portions thereof, upon mutual agreement in writing, at least sixty(60) days prior to expiration provided that the contract price for the extended period shall remain the same or lower than the initial price offered, and provided further that the State or the Contractor may terminate the extended contract any time upon one hundred twenty (120) days prior written notice.

#### **6.4 STATE'S COMMITMENT**

In return for prices submitted the following purchasing jurisdictions will purchase all of their requirements for goods or services listed herein from the successful Offeror(s):

Executive Branch agencies  
Department of Education  
City & County of Honolulu

#### **6.5 USE OF PRICE LIST BY NONPROFIT ORGANIZATIONS**

Pursuant to §103D-804, HRS, nonprofit organizations with current purchase of service contract(s) (Chapter 42D or I03F, HRS) have been invited to participate in SPO price lists.

If a nonprofit organization (hereinafter called "nonprofit") wishes to purchase from a SPO price list, the nonprofit must obtain approval from each price list vendor, i.e., participation must be mutually agreed upon. A price list vendor may choose to deny participation by a nonprofit. Provided, however, if a nonprofit and price list vendor mutually agree to this arrangement, it is understood that the nonprofit will retain its right to purchase from other than a price list vendor.

At the time of award, the SPO will inform vendor(s) as to which nonprofits are interested in participating.

#### **6.6 CONTRACT ADMINISTRATOR**

For purposes of this contract, Ms. Bonnie Kahakui, Travel Administrator, DAGS, is appointed Contract Administrator. She may be reached at telephone 808/587-4702. All notices, requests or other official communication shall be processed by Ms. Kahakui or by her authorized representative.

#### **6.7 OVERVIEW OF THE RFP PROCESS**

- a. The RFP is issued pursuant to Subchapter 6 of Chapter 3-122, HAR, implementing Section 103D-303, HRS.
- b. The procurement process begins with the issuance of the RFP by SPO and the formal response to any written questions or inquiries regarding the RFP. Changes to the RFP will be made only by Addendum.
- c. Proposals shall not be opened publicly, but shall be opened in the presence of two (2) or more procurement officials. The register of proposals and Offerors' proposals shall be open to public inspection after posting of the award.
- d. The Procurement Officer, or an evaluation committee selected by the Procurement Officer, shall evaluate the proposals in accordance with the evaluation criteria in Section FIVE. The proposals shall be classified initially as acceptable, potentially acceptable, or unacceptable.
- e. Proposals may be accepted on evaluation without discussion. However, if deemed necessary, prior to entering into discussions, a "priority list" of responsible Offerors submitting acceptable and potentially acceptable proposals shall be generated. The

priority list may be limited to a minimum of three responsible Offerors who submitted the highest-ranked proposals. The objective of these discussions is to clarify issues regarding the Offeror's proposal before the BAFO is tendered.

- f. If during discussions there is a need for any substantial clarification or change in the RFP, the RFP shall be amended by an addendum to incorporate such clarification or change. Addenda to the RFP shall be distributed only to priority listed Offerors who submit acceptable or potentially acceptable proposals.
- g. Following any discussions, Priority Listed Offerors will be invited to submit their RAFO, if required. The Procurement Officer or an evaluation committee reserves the right to have additional rounds of discussions with the top three (3) Priority Listed Offerors prior to the submission of the BAFO, should that prove necessary.
- h. The date and time for Offerors to submit their BAFO, if any, is indicated in Section One, Significant Dates. If Offeror does not submit a notice of withdrawal or a BAFO, the Offeror's immediate previous offer shall be construed as their BAFO.
- i. After receipt and evaluation of the BAFOs in accordance with the evaluation criteria in Section Five, the Procurement Officer or an evaluation committee will make its recommendation. The Procurement Officer will award the contract to the Offeror whose proposal is determined to be the most advantageous to the State taking into consideration price and the evaluation factors set forth in Section Five.
- j. The contents of any proposal shall not be disclosed during the review, evaluation, discussion, or negotiation process. Once award notice is posted, all proposals, successful and unsuccessful, become available for public inspection. Those sections that the Offeror and the State agree are confidential and/or proprietary should be identified by the Offerors and shall be excluded from access.
- k. The Procurement Officer or an evaluation committee reserves the right to determine what is in the best interests of the State for purposes of reviewing and evaluating proposals submitted in response to the RFP. The Procurement Officer or the evaluation committee will conduct a comprehensive, fair and impartial evaluation of the proposals received in response to the RFP and submits the final results for award.
- l. The RFP, any addenda issued, and the successful Offeror's proposal shall become a part of the basis for the awarded contract. All proposals and other material submitted by Offerors shall become the property of the State and may be returned only at the State's option.

All proposals and other material submitted by Offerors become the property of the State and may be returned only at the State's option.

## **6.8 SUBMISSION OF PROPOSAL**

**Submission of a proposal** shall constitute an incontrovertible representation by the Offeror of understanding, acceptance, and compliance with every requirement of this RFP, and that the

RFP documents are sufficient in scope and detail to indicate and convey reasonable understanding of all terms and conditions of performance of the work.

Before submitting a proposal, each Offeror must:

- a. Examine the solicitation documents thoroughly. Solicitation documents include this RFP, any attachments and any other relevant documentation;
- b. Become familiar with State, local, and federal laws, ordinances, rules, and regulations that may in any manner affect cost, progress, or performance of the work specified herein

Proposal shall be received at the SPO, 1151 Punchbowl Street, Kalanimoku Building, Room 416, Honolulu, Hawaii 96813, no later than the date and time stated in *Section One, Significant Dates*, as amended. Timely receipt of offers shall be evidenced by the date and time registered by the SPO time stamp clock. Offers received after the deadline shall be returned unopened.

If the Offeror chooses to deliver its offer by United States Postal Service (USPS), please be aware that the USPS does not deliver directly to Room 416, but to a central DAGS mailroom. This may cause a delay in receipt by the SPO and the offer may reach the SPO after the deadline, resulting in automatic rejection

## 6.9 PROPOSAL PREPARATION

- a. **OFFER FORM, OF-1.** See Attachment 1. Proposals shall be submitted using Offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable; and to indicate exact legal name in the appropriate spaces on Offer Form, OF-1. Failure to do so may delay proper execution of the contract.

The authorized signature on the first page of the Offer Form shall be an original signature in ink. If unsigned or the affixed signature is a facsimile or a photocopy, the offer shall be automatically rejected unless accompanied by other material, containing an original signature, indicating the Offeror's intent to be bound.

**Hawaii business.** A business entity referred to as a "Hawaii business", is registered and incorporated or organized under the laws of the State of Hawaii.

**Compliant non-Hawaii business.** A business entity referred to as a "compliant non-Hawaii business," is not incorporated or organized under the laws of the State of Hawaii but is registered to do business in the State.

- b. **Wage certificate.** Refer to Section 2.8 of the GTC. The Offeror shall complete and submit a Wage Certificate by which the Offeror certifies that services required will be performed pursuant to §103-55, HRS. Offeror is advised that although item 2 of the Wage Certificate is not applicable to this solicitation since there are no public sector employees performing work similar to the requirements herein, item 1 of the certificate applies and therefore submission of the Wage Certificate is required.
- c. **Tax Liability.** Work to be performed under this solicitation is a business activity taxable under Chapter 237, HRS, and vendors are advised that they are liable for the Hawaii GET at the current 4% rate. If, however, an Offeror is a person exempt by the HRS from

paying the GET and therefore not liable for the taxes on this solicitation, Offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

- d. **Original Proposal and Copies to be Submitted.** Offeror shall submit one (1) original proposal marked "ORIGINAL" and **six copies** of the original marked "COPY". It is imperative to note that the Offeror submit only one original and the required number of copies. DO NOT SUBMIT MORE THAN ONE ORIGINAL.

Offeror is encouraged to submit typewritten offers. If handwritten, it should be clearly printed. Offeror is cautioned that illegible offers of any item(s) may adversely affect the evaluation of the proposal.

- e. Costs for developing the Proposal are solely the responsibility of the Offeror, whether or not any award results from this solicitation. The State of Hawaii will not reimburse such costs.
- f. All proposals become the property of the State of Hawaii.
- g. Copies of documents transmitted by Offerors via facsimile machines shall be limited to the modifications or withdrawal of an offer pursuant to section 3-122-16.07, HAR, section 3-122-108, HAR, and the qualifications of the Offeror.

#### **6.10 SUBCONTRACTORS**

Subcontractors may be used by the Contractor in performing any portion of the services requested in this RFP; however, the Contractor will be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract, and will be responsible for all services whether or not the Contractor performs them, as permitted by law.

#### **6.11 REQUIRED REVIEW**

Offeror shall carefully review this solicitation for defects and questionable or objectionable matter. Comments concerning defects and questionable or objectionable matter must be **made in writing and should be received by the SPO prior to the deadline for written questions as stated in the Section One.** This will allow issuance of any necessary corrections to the RFP. It will also help prevent the opening of a possibly defective solicitation and unnecessary exposure of Offeror's proposal when award could not be made.

#### **6.12 ECONOMY OF PRESENTATION**

Proposals shall be prepared in a straightforward and concise manner, in a format that is reasonably consistent and appropriate to the purpose. Emphasis shall be on completeness and clarity of content. If any additional information is required by the State regarding any aspect of the Offeror's proposal, it shall be provided within two (2) business days.

#### **6.13 CONFIDENTIAL INFORMATION**

If a person believes that any portion of a proposal, offer, specification, protest, or correspondence contains information that should be withheld as confidential, then the

Procurement Officer named on the cover of this RFP should be so advised in writing and provided with justification to support confidentiality claim.

An Offeror shall request in writing nondisclosure of designated trade secrets or other proprietary data considered confidential. Such data shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal in order to facilitate eventual public inspection of the non-confidential portion of the proposal.

Pursuant to Section 3-122-58, HAR, the head of the purchasing agency or designee shall consult with the Attorney General and make a written determination in accordance with Chapter 92F, HRS. If the request for confidentiality is denied, such information shall be disclosed as public information, unless the person appeals the denial to the Office of Information Practices in accordance with Section 92F-42(12), HRS.

#### **6.14 ORAL PRESENTATION**

Respondents to this RFP may be required to make an oral presentation of their proposal to ensure thorough, mutual understanding. The State will schedule the time and location for these presentations (if required), normally within one week following the Proposals Due date.

#### **6.15 QUESTIONS PRIOR TO OPENING OF PROPOSALS**

All questions must be submitted in writing and directed to the SPO. The State will respond to written questions by the date indicated in *Section One, Significant Dates*, or as amended.

#### **6.16 CANCELLATION OF RFP AND PROPOSAL REJECTION**

The State reserves the right to cancel this RFP and to reject any and all proposals in whole or in part when it is determined to be in the best interest of the State, pursuant to Section 3-122-96 through 3-122-97, HAR.

The State shall not be liable for any costs, expenses, loss of profits or damages whatsoever, incurred by the Offeror in the event this RFP is cancelled or a proposal is rejected.

#### **6.17 PROPOSAL OPENING**

Refer to Section 6.7, item c.

#### **6.18 EVALUATION OF PROPOSALS**

Refer to Section 6.7, items d through k.

#### **6.19 PROPOSAL AS A PART OF THE CONTRACT**

Refer to Section 6.7, item l.

#### **6.20 AWARD OF CONTRACT**

Method of Award.



Award for **Part I**, if made, shall be to the responsible Offeror whose proposal is determined to provide the best value to the State taking into consideration the evaluation factors set forth in this RFP.

Award for **Part II**, if made, shall be on a multiple-vendor basis to up to the three (3) vendor(s) scoring the highest number of points, taking into consideration the evaluation factors set forth in this RFP.

**Responsibility of Offeror.** Reference §3-122-112, HAR. Prior to award, the Offeror shall produce documents to the procurement officer to demonstrate compliance with this section.

**HRS Chapter 237 tax clearance requirement for award.** Instructions are as follows:

Pursuant to §103D-328, HRS, offeror shall be required to submit a tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS). The certificate shall have an original green certified copy stamp and shall be valid for six (6) months from the most recent approval stamp date on the certificate. It must be valid on the date it is received by the SPO.

The tax clearance certificate shall be obtained on the State of Hawaii, DOTAX *TAX CLEARANCE APPLICATION* Form A-6 (Rev. 2003) which is available at the DOTAX and IRS offices in the State of Hawaii or the DOTAX website, and by mail or fax:

DOTAX Website (Forms & Information): <http://www.state.hi.us/tax/alphalist.html#a>

DOTAX Forms by Fax/Mail: (808) 587-7572  
1-800-222-7572

Completed tax clearance applications may be mailed, faxed, or submitted in person to the Department of Taxation, Taxpayer Services Branch, to the address listed on the application. Facsimile numbers are:

DOTAX: (808) 587-1488  
IRS: (808) 539-1573

The application for the clearance is the responsibility of the Offeror, and must be submitted directly to the DOTAX or IRS and not to the SPO. However, the tax clearance certificate shall be submitted to the SPO.

**HRS Chapters 383 (Unemployment Insurance), 386 (Workers' Compensation), 392 (Temporary Disability Insurance), and 393 (Prepaid Health Care) requirements for award.** Instructions are as follows:

Pursuant to §103D-310(c), HRS, the Offeror shall be required to submit a certificate of compliance issued by the Hawaii State Department of Labor and Industrial Relations (DLIR). The certificate is valid for six (6) months from the date of issue and must be valid on the date it is received by the SPO. A photocopy of the certificate is acceptable to the SPO.

The certificate of compliance shall be obtained on the State of Hawaii, DLIR *APPLICATION FOR CERTIFICATE OF COMPLIANCE WITH SECTION 3-122-112, HAR*, Form LIR#27 which is available at [www.dlir.state.hi.us](http://www.dlir.state.hi.us) (at the menu click on **Employer Forms, LIR#27**), or

at the neighbor island DLIR District Offices. The DLIR will return the form to the Offeror who in turn shall submit it to the SPO.

The application for the certificate is the responsibility of the Offeror, and must be submitted directly to the DLIR and not to the SPO. However, the certificate shall be submitted to the SPO.

**Compliance with Section 103D-310(c)(1) and (2), HRS.** Pursuant to section 3-122-112, HAR, the Offeror shall be required to submit a *CERTIFICATE OF GOOD STANDING* (Certificate) issued by the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division (BREG). The Certificate is valid for six months from date of issue and must be valid on the date it is received by the SPO. A photocopy of the certificate is acceptable to the SPO.

To obtain the Certificate, the Offeror must first be registered with the BREG. A sole proprietorship, however, is not required to register with the BREG, and therefore not required to submit the certificate.

On-line business registration and the Certificate are available at [www.BusinessRegistrations.com](http://www.BusinessRegistrations.com). To register or to obtain the Certificate by phone, call (808) 586-2727 (M-F 7:45 to 4:30 HST). Offerors are advised that there are costs associated with registering and obtaining the Certificate.

**Timely Submission of all Certificates.** The above certificates should be applied for and submitted to the SPO as soon as possible. However, due to the extremely compressed timeline of this RFP and the timeline subsequent to the award of the Broker, it is highly recommended that the Offeror furnish proof of compliance with the requirements of §3-122-112, HAR, with their proposal. If a valid certificate is not submitted on a timely basis for a award to be made, an Offeror otherwise responsive and responsible may not be considered.

## **6.21 OFFER ACCEPTANCE PERIOD**

The State's acceptance of an offer, if any, will be made within sixty (60) calendar days after the opening proposals. Prices quoted by the Offeror shall remain firm for the sixty (60) day period as provided in Section 3.2 of the GTC.

## **6.22 ADDITIONAL TERMS AND CONDITIONS**

The State reserves the right to add terms and conditions during contract negotiations. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluations.

## **6.23 INSURANCE REQUIREMENTS**

The Contractor shall maintain in full force and effect during the life of the contract, liability and property damage insurance to protect the Contractor and its subcontractors, if any, from claims for damages for personal injury, accidental death and property damage which may

arise from operations under this contract. If any subcontractor is involved in the performance of the contract, the insurance policy or policies shall name the subcontractor as an additional insured.

As an alternative to the Contractor providing insurance to cover operations performed by a subcontractor and naming the subcontractor as an additional insured, Contractor may require subcontractor to provide its own insurance which meets the requirements herein. It is understood that a subcontractor's insurance policy or policies shall be in addition to the Contractor's own policy or policies.

The following minimum insurance coverage(s) and limit(s) shall be provided by the Contractor, including its subcontractor(s) where appropriate.

<u>Coverage</u>	<u>Limits</u>
Commercial General Liability (occurrence form, including coverage for Errors and Omissions)	\$300,000 combined single limit per occurrence for bodily injury and property damage

Each insurance policy required by this contract, including a subcontractor's policy shall contain the following clauses:

1. "This insurance shall not be canceled, limited in scope of coverage or non-renewed until after 30 days written notice has been given to the State of Hawaii, Department of Accounting and General Services, State Procurement Office, P. O. Box 119, Honolulu, Hawaii 96810-0119."
2. "The State of Hawaii is added as an additional insured with respect to operations performed for the State of Hawaii."
3. "It is agreed that any insurance maintained by the State of Hawaii shall apply in excess of, and not contribute to, insurance provided by this policy."

The minimum insurance required shall be in full compliance with the Hawaii Insurance Code throughout the entire term of the contract.

Upon Contractor's execution of the contract, the Contractor agrees to deposit with the State of Hawaii certificate(s) of insurance necessary to satisfy the State that the insurance provisions of this contract have been complied with and to keep such insurance in effect and the certificate(s) on deposit with the State during the entire term of this contract, including those of its subcontractor(s), where appropriate. Upon request by the State, Contractor shall be responsible for furnishing a copy of the policy or policies.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default under this contract, entitling the State to exercise any or all of the remedies provided in this contract for a default by the Contractor.

The procuring of such required insurance shall not be construed to limit the Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, Contractor shall be obliged for the full and total amount of any damage, injury, or loss caused by any negligence or neglect connected with this contract.

## **6.24 CONTRACT EXECUTION AND TERM OF CONTRACT**

Successful Offeror receiving the award shall be required to enter into a formal written contract.

No performance or payment bond is required for this contract.

Upon execution of the contract, a Notice to Proceed will be issued. The term of the resultant contract shall commence on the date indicated in the Notice to Proceed.

No work is to be undertaken by the Contractor prior to the commencement date specified in the Notice to Proceed. The State of Hawaii is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to the official starting date.

## **6.25 CONTRACT MODIFICATION**

The contract may be modified only by written document signed by the Procurement Officer and Contractor personnel authorized to sign contracts on behalf of the Contractor.

## **6.26 RE-EXECUTION OF WORK**

The Contractor shall re-execute any work that fails to conform to requirements of the contract which appear during the course of the work, and shall immediately remedy any defects due to faulty workmanship by the Contractor.

## **6.27 DEFAULT AND REMEDIES**

Refer to Section 6.11(A) of the GTC. Any of the following events shall constitute cause for the State Comptroller to declare the Contractor in default of the contract:

- Nonperformance of contractual requirements; and
- A material breach of any term or condition of this contract.

The State shall issue a written notice of default providing a period in which Contractor shall have an opportunity to (cure) remedy the condition within ten (10) days or any longer period specified in writing by the State Comptroller. Time allowed for cure shall not diminish or eliminate Contractor's liability for liquidated or other damages. If the default remains, after the Contractor has been provided the opportunity to cure, the State may do one or more of the following, but not limited to the following:

- Exercise any remedy provided by law;
- Terminate the contract and any related contracts or portions thereof;
- Impose liquidated damages at the sum of FIVE HUNDRED DOLLARS (\$500.00) per day for any violation of the Contractor in failing to perform in whole or in part any of its obligations hereunder, or for nonperformance of the provisions of the contract. Refer to Section 6.12 of the GTC;
- Suspend Contractor from receiving future solicitations; and

- Purchase in the open market, a corresponding quantity of the services specified herein and to deduct from any monies due or that may thereafter become due the Contractor, the difference between the price named in the contract and the actual cost thereof to the State. In case any due the Contractor is insufficient for said purpose, the Contractor shall pay the difference upon demand by the State.

#### **6.28 CONTRACT INVALIDATION**

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

#### **6.29 PROGRESS**

In the event the Contractor anticipates or encounters any difficulties with regard to the completion date or any other requirements of the contract, the Contractor shall, in writing, immediately notify the Contract Administrator or her duly authorized representative, provide all pertinent details, which will be for informational purposes only. Receipt by the Contract Administrator or her duly authorized representative shall not constitute any expressed or implied agreement of modification to the contract.

#### **6.30 INVOICING**

If payment is by purchase order, the Contractor shall send an original and three (3) copies of the invoice(s) to the requesting agency (Attention: [agency contact person]). Invoices shall include the following information:

Department/Branch/Agency;  
Name of traveler (if applicable);  
Dates of travel (if applicable);  
Description of services;  
Applicable discounts.

#### **6.31 PAYMENT**

Section 103-10, HRS, provides that the State shall have thirty (30) calendar days from receipt of invoice or satisfactory delivery of goods or performance of services to make payment. For this reason, the State will reject any offer submitted with a condition requiring payment within a shorter period. Further, the State will reject any offer submitted with a condition requiring interest payments greater than that allowed by Section 103-10, HRS, as amended.

The State will not recognize any requirement established by the Contractor and communicated to the State after award of the contract, which requires payment within a shorter period, or interest payments not in conformance with statute.

#### **6.32 PROTEST**

A protest shall be submitted in writing within five (5) working days after the aggrieved person knows or should have known of the facts giving rise thereto; provided that a protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offers. Further provided that a protest of a selection or proposed selection shall be submitted within five (5) working days after the posting of the selection.

The Notice of Selection Letter, if any, resulting from this solicitation shall be posted on the bulletin board between room 416 and room 420, 1151 Punchbowl Street, Honolulu, Hawaii 96813.

Any protest pursuant to §103D-701, HRS, and Sections 3-126-3 and 3-126-4, HAR, shall be submitted in writing to the Procurement Officer, SPO, 1151 Punchbowl Street, Room 416, Honolulu, Hawaii 96813 or P. O. Box 119, Honolulu, Hawaii 96810-0119

### **6.33 GOVERNING LAW; COST OF LITIGATION**

The validity of this agreement and any of its terms or provisions, as well as the rights and duties of the parties to this agreement, shall be governed by the laws of the State of Hawaii. Any action at law or equity to enforce or interpret the provisions of this agreement shall be brought in a state court or competent jurisdiction in Honolulu, Hawaii.

In case the State shall, without any fault on its part, be made a part to any litigation commenced by or against the Broker in connection with their proposal and this RFP, the Broker shall pay all costs and expenses incurred by or imposed on the State, including attorneys' fees.

### **6.34 ADDITIONS, AMENDMENTS AND CLARIFICATIONS TO THE GTC**

#### **Additions to the GTC:**

**Approvals.** Any agreement arising out of this offer may be subject to the approval of the Department of the Attorney General as to form, and is subject to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order, or other directive.

**Cancellation of Solicitations and Rejection of Offers.** The solicitation may be cancelled or the offers may be rejected, in whole or in part, when in the best interest of the purchasing agency, as provided in §§3-122-95 through 3-122-97, HAR.

**Confidentiality of Material.** All material given to or made available to the Contractor by virtue of this agreement, which is identified as proprietary or confidential information, will be safeguarded by the CONTRACTOR and shall not be disclosed to any individual or organization without the prior written approval of the STATE.

**All information, data, or other material provided by the Offeror to the State shall be subject to the Uniform Information Practices Act, chapter 92F, HRS. The Offeror shall designate in writing to the Procurement Officer those portions of its unpriced offer or any subsequent submittal that are trade secrets or other proprietary data that the Offeror desires to remain**

confidential, subject to §3-122-58, HAR, in the case of an RFP, or §3-122-30, HAR, in the case of an IFB. The Offeror shall state in its written communication to the Procurement Officer, the reason(s) for designating the material as confidential, for example, trade secrets. The Offeror shall submit the material designated as confidential in such manner that the material is readily separable from the offer in order to facilitate inspection of the non-confidential portion of the offer.

Price is not confidential and will not be withheld. In addition, in the case of an IFB, makes and models, catalogue numbers of items offered, deliveries, and terms of payment shall be publicly available at the time of opening regardless of any designation to the contrary.

If a request is made to inspect the confidential material, the inspection shall be subject to written determination by the Office of the Attorney General in accordance with chapter 92F, HRS. If it is determined that the material designated as confidential is subject to disclosure, the material shall be open to public inspection, unless the Offeror protests under chapter 3-126, HAR. If the request to inspect the confidential material is denied, the decision may be appealed to the Office of Information Practices in accordance with §92F-15.5, HRS.

**Nondiscrimination.** No person performing work under this Agreement, including any subcontractor, employee, or agency of the Contractor, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

**Records Retention.** The Contractor and any subcontractors shall maintain the books and records that relate to the Agreement and any cost or pricing data for three (3) years from the date of final payment under the Agreement.

#### **Amendments to the GTC:**

**Subsection 2.1 Competency of Offeror.** Paragraph one is rescinded and replaced with the following:

“Prospective Offeror must be capable of performing the work for which offers are being called. Either before or after the deadline for an offer, the purchasing agency may require Offeror to submit answers to questions regarding facilities, equipment, experience, personnel, financial status or any other factors relating to the ability of the Offeror to furnish satisfactorily the goods or services being solicited by the STATE. Any such inquiries shall be made and replied to in

## **SECTION SEVEN**

### **ATTACHMENTS**

#### **7.01 ATTACHMENTS**

1. Offer Form, Page OF-1
2. Wage Certificate



COMPREHENSIVE TRAVEL RELATED SERVICES  
STATE OF HAWAII  
RFP-05-037-SW

Procurement Officer  
State Procurement Office  
State of Hawaii  
Honolulu, Hawaii 96813

Dear Sir:

The undersigned has carefully read and understands the terms and conditions specified in the Specifications and Special Provisions attached hereto, and in the General Terms and Conditions, dated September 1, 1995, by reference made a part hereof and available upon request; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof. The undersigned further understands and agrees that by submitting this offer, 1) he/she is declaring his/her offer is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited State contracts, and 2) he/she is certifying that the price(s) submitted was (were) independently arrived at without collusion.

The undersigned represents: **(Check ☒ one only)**

- ☐ A **Hawaii business** incorporated or organized under the laws of the State of Hawaii;  
**OR**  
☐ A **Compliant Non-Hawaii business** not incorporated or organized under the laws of the State of Hawaii, but registered at the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division to do business in the State of Hawaii.

State of incorporation: \_\_\_\_\_

Offeror is:

- ☐ Sole Proprietor    ☐ Partnership    ☐ Corporation    ☐ Joint Venture  
☐ Other \_\_\_\_\_

Federal I.D. No.: \_\_\_\_\_

Hawaii General Excise Tax License I.D. No.: \_\_\_\_\_

Payment address (other than street address below): \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Business address (street address): \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Respectfully submitted:

Date: \_\_\_\_\_

(x) \_\_\_\_\_

Authorized (Original) Signature

Telephone No.: \_\_\_\_\_

Fax No.: \_\_\_\_\_

\_\_\_\_\_  
Name and Title (Please Type or Print)

E-mail Address: \_\_\_\_\_

\* \_\_\_\_\_

**Exact Legal Name of Company (Offeror)**

\*If Offeror is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the awarded contract will be executed:

9/19/00

**WAGE CERTIFICATE  
FOR SERVICE CONTRACTS**  
(See Special Provisions)

Subject: IFB/RFP No.: RFP-05-037-SW

Title of IFB/RFP: Comprehensive Travel Related Services for the State of  
Hawaii

Pursuant to Section 103-55, Hawaii Revised Statutes (HRS), I hereby certify that if awarded the contract in excess of \$25,000, the services to be performed will be performed under the following conditions:

1. All applicable laws of the federal and state governments relating to workers' compensation, unemployment compensation, payment of wages, and safety will be fully complied with; and
2. The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work, with the exception of professional, managerial, supervisory, and clerical personnel who are not covered by Section 103-55, HRS.

I understand that failure to comply with the above conditions during the period of the contract shall result in cancellation of the contract, unless such noncompliance is corrected within a reasonable period as determined by the procurement officer. Payment in the final settlement of the contract or the release of bonds, if applicable, or both shall not be made unless the procurement officer has determined that the noncompliance has been corrected; and

I further understand that all payments required by Federal and State laws to be made by employers for the benefit of their employees are to be paid in addition to the base wage required by section 103-55, HRS.

Offeror \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

